Postal Rate Commission Submitted 8/4/2006 3:40 pm Filing ID: 51906 Accepted 8/4/2006

BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS JOHN P. KELLEY (USPS-T-15) TO INTERROGATORY OF UNITED PARCEL SERVICE (UPS/USPS-T15-7) (August 4, 2006)

The United States Postal Service hereby provides the response of witness John P. Kelley (USPS-T-15) to the following interrogatory of United Parcel Service, filed on July 26, 2006:

UPS/USPS-T-15-7

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Drive M. Driver

Brian M. Reimer

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-3037, Fax -5402 Brian.M.Reimer@usps.gov

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KELLEY (USPS-T-15) TO INTERROGATORY OF UNITED PARCEL SERVICE

UPS/USPS-T15-7. Refer to your response to UPS/USPS-T15-1(b). Of the BY2005 Alaska non-preferential air costs of \$114,027,000, confirm that the costs of the Alaska bypass program were \$65,209,000 (see USPS-LR-L-5/B_Workpapers/CS14.xls, worksheet WS 14.4, cell G56). If not fully confirmed, explain in detail and provide the BY2005 cost for the Alaska bypass program.

RESPONSE:	
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Confirmed.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

Brian M. Reimer

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268-3037, FAX: -5402 August 4, 2006 Brian.M.Reimer@usps.gov